Import of ULSD

286. SHRI A. VIJAYA RAGHAVAN: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether according to Ministry's estimates, Rs.35,000 crores would have to be spent in upgrading refineries to provide clean diesel across the country which would take four years;

(b) whether it is a fact that oil companies would be able to supply diesel with 0.035 percent sulphur in only seven cities by 2005;

(c) whether it is also a fact that Government should alternatively import ULSD from other countries as per the users; and

(d) if so, what is Government's reaction in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI SANTOSH GANGWAR): (a) and (b) Rs.35,000 crore has been estimated by the refineries to be the cost of upgradation for both petrol & diesel from Bureau of Indian Standards (BIS) 2000 specifications to Euro-III equivalent specifications for the existing and the proposed refineries. Petrol & diesel quality standards for the year 2005 have not been finalized as yet.

(c) and (d) Presently the country is in the process of switching over from Euro-I equivalent vehicle technology to Euro-II equivalent vehicle technology for which 0.05% max. sulphur content diesel is the required specification. Diesel meeting this specification is being produced in the country. Engine technologies that need diesel having lower sulphur content are yet to be developed/tested in the country. Ultra-low sulphur diesel is, therefore, not required at present.